GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1081
ANSWERED ON:24.11.2000
INTERNAL AUDIT DEPARTMENT OF GIC SUBSIDIARIES
SHAMSHER SINGH DULLO

Will the Minister of FINANCE be pleased to state:

(a) the organisational set up of the Internal Audit Department in the New India Assurance Company Limited and the United India Insurance Company Limited;

(b) the officials working in the Department for more than fifteen years and reasons thereof;

(c) the recoveries pointed out by the Internal Audit Department and the Government Audit Department of the respective Companies during the last three financial years;

(d) whether huge money is pending for recovery in the respective Companies` Audit Reports for the last three years; and

(e) if so, the details thereof and the steps taken or proposed to be taken by the respective Companies for effecting recoverires pointed out by the Internal Audit/Government Audit Department?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

(a) The Internal Audit Departments of both New India Assurance Company Limited and United India Insurance Company Limited have a two tier system located at the Regional and Head Office level.

(b) The information is as under:-

	Total No. of Officials	No. of officials working in the Department for more than 15 years
NEW INDIA	88	14
UNITED INDIA	148	NIL

(c) & (d): The information is given in ANNEXURE.

(e) The two Insurance Companies have reported that following steps have been taken/are proposed to be taken for the recoveries pointed out:-

(i) Regular audit review meetings are conducted in each Region where there is one to one interaction between the Audit officials and the Heads of the operating offices.

(ii) There are Board Sub Committees on Audit which review the pending recovery position on a a regular bases and issue necessary instructions to the Regional Chiefs concerned.

(iii) The Boards of the rspective Companies are kept informed of the pendency position of both the Internal Audit and the Government Audit.

(iv) As regards CAG Audit Paras, there is system of constant monitoring and interaction with the CAG Office for disposal of pending queries. Audit Committee Meetings with Principal Director of Commercial Audit are also held for resolving long pending Audit Paras.

A N N E X U R E

Information in reply to parts (c) and (d) of Lok Sabha Unstarred Question No.1081 for 24.11.2000 by Shri Shamsher Singh Dullo regarding Internal Audit Department of GIC Subsidiaries.

Part `C`

New India Assurance Company Ltd.

Financial Year	Internal Audit Queries		CAG paras+
	Number	Amount(Rs. in lacs)	Number
1997-98	11597	955.66	122
1998-99	9539	2213.52	155
1999-00	8795	1207.97	193

United India Insurance Company Ltd.

Financial Year	Internal Audit Queries		CAG paras+
	Number	Amount(Rs.in lacs)	Number
1997-98	14760	353.11	338
1998-99	18203	1158.46	208
1999-00	14382	1292.06	81

+ The amount involved in the CAG paras is not ascertainable.

Part `d`

Financial Year	New India		United India	
	Number	Amount(Rs.in lacs)	Number	Amount(Rs.in lacs)
1997-98	4030	956.01	41315	3305.79
1998-99	4199	784.42	44557	3358.81
1999-00	22722	5520.91	47913	4070.44